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OFFICE OF  
INSURANCE COMMISSIONER

In the Matter of

AAA LIFE INSURANCE COMPANY,

An Authorized Insurer

No. D06-317

CONSENT ORDER  
IMPOSING A FINE

Findings of Fact:

1. AAA Life Insurance Company ("AAA Life") is authorized to conduct insurance business in Washington State. It issues life and disability insurance.
2. AAA Life electronically filed its calendar year 2004 Annual Statement with the Office of the Insurance Commissioner ("OIC") on February 25, 2005, but the Statement of Non-Guaranteed Elements ("SONGE") was not in the filing.
3. AAA Life filed the 2004 SONGE with the OIC on April 1, 2005.
4. AAA Life electronically filed its calendar year 2005 Annual Statement with the OIC on February 27, 2006, but did not file the accompanying paper signature page for the Statement of Actuarial Opinion on Participating and Non-Participating Policies ("SAOPNP") until May 31, 2006. On or about December 20, 2006, AAA Life rescinded its SAOPNP filing.

Conclusions of Law:

1. AAA Life's failure to timely file complete calendar year 2004 Annual Statement with the OIC constitutes a violation of RCW 48.05.250.
2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order:

AAA Life consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter in consideration of AAA Life's payment of a fine as set forth below.

1. AAA Life consents to the entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with all applicable laws and regulations of the State of Washington. It waives further administrative or legal challenge to the actions taken by the Insurance Commissioner that are related to the subject matter of this Order.



2. Within thirty days of the entry of this Order, AAA Life will pay to the Insurance Commissioner a fine in the amount of \$375 (three hundred seventy five dollars).

3. Failure to pay the fine in full within thirty days of the entry of this order will constitute grounds for revocation of the certificate of authority held by AAA Life in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 29<sup>th</sup> day of December, 2006.

AAA LIFE INSURANCE COMPANY

By: Robert J. Dotson

Printed Name: Robert J. Dotson

Printed Corporate Title: Vice President, General Counsel & Secretary

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

Order:

1. AAA Life Insurance Company is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$375 (three hundred seventy five dollars).

2. Failure to pay the fine timely and in full will constitute grounds for revocation of the certificate of authority held by the insurer in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 9<sup>th</sup> day of January, 2006 7

MIKE KREIDLER  
Insurance Commissioner

By: Marcia G. Stickler

**Marcia G. Stickler**  
Legal Affairs Division